



COMMONWEALTH OF PENNSYLVANIA
PENNSYLVANIA PUBLIC UTILITY COMMISSION
COMMONWEALTH KEYSTONE BUILDING
400 NORTH STREET, HARRISBURG, PA 17120

BUREAU OF
INVESTIGATION
&
ENFORCEMENT

February 5, 2026

Via Electronic Filing

Matthew L. Homsher, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Re: Pennsylvania Public Utility Commission,
Bureau of Investigation and Enforcement v.
Peoples Natural Gas Company LLC
Docket No. C-2024-3050319
I&E Exceptions

Dear Secretary Homsher:

Enclosed for electronic filing are the Exceptions of the Bureau of Investigation and Enforcement (“I&E”) of the Pennsylvania Public Utility Commission in the above-referenced matter.

Copies have been served on the parties of record in accordance with the Certificate of Service. If you have any questions, please do not hesitate to contact me.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Colby B. Widdowson', is written over a light blue circular stamp.

Colby B. Widdowson
Prosecutor
Bureau of Investigation and Enforcement
PA Attorney ID No. 326185
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CBW/ac
Enclosures

cc: Per Certificate of Service
Administrative Law Judge Jeffrey Watson (via email – jeffwatson@pa.gov)
Office of Special Assistance (via email – ra-OSA@pa.gov)
Stephanie M. Wimer, Deputy Chief Prosecutor (via email – stwimer@pa.gov)

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission,	:	
Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3050319
	:	
Peoples Natural Gas Company LLC	:	

**EXCEPTIONS OF THE
BUREAU OF INVESTIGATION AND ENFORCEMENT**

Colby B. Widdowson
Prosecutor
PA Attorney ID No. 326185

Stephanie M. Wimer
Deputy Chief Prosecutor
PA Attorney ID No. 207522

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

Dated: February 5, 2026

I. INTRODUCTION

On January 29, 2026, the Recommended Decision of presiding Administrative Law Judge Jeffrey Watson (“ALJ” or “ALJ Watson”) was issued in the instant proceeding. The Recommended Decision denies the Joint Petition for Approval of Settlement filed on January 15, 2025 (“Joint Petition for Settlement” or “Settlement”) by the Commission’s Bureau of Investigation and Enforcement (“I&E”) and the Peoples Natural Gas Company LLC (“Peoples”). The Recommended Decision denies the Settlement “because there is not substantial evidence to support the conclusion that the Settlement is in the public interest.”¹

I&E respectfully disagrees with ALJ Watson’s Recommended Decision denying the Settlement and files these exceptions pursuant to 52 Pa. Code § 5.533.² As I&E details below, I&E believes that ALJ Watson erred in multiple facets in reaching his conclusion to deny the Settlement.

I&E acknowledges that a fatality and injuries occurred in connection with this tragic incident. A reasonable review of the Settlement terms leads to the undeniable conclusion that the Settlement reflects the gravity of the conduct and consequences and is in the public interest. The Settlement concessions made by Peoples are commensurate with its conduct in the incident, noting that I&E’s Formal Complaint did not allege that Peoples was the direct or proximate cause of the excavation damage or gas leak, but alleged that Peoples was deficient in its response to the damage and leak. Significantly,

¹ *Pa. Pub. Util. Comm’n, Bureau of Investigation and Enforcement v. Peoples Natural Gas Company LLC*, Docket No. C-2024-3050319 (Recommended Decision entered January 29, 2026) (“RD”) at 1.

² Parties were Ordered to file exceptions on or before February 5, 2026 (seven days), a truncated time as compared to the twenty days prescribed by regulation, 52 Pa. Code § 5.533.

the Settlement terms provide safety enhancements that would not otherwise be achieved if the matter were fully litigated. As such, I&E respectfully requests that this Honorable Commission approve the Settlement and order the implementation of the remedial measures, intended to improve public safety, which have been unnecessarily and unreasonably delayed.

II. I&E’S EXCEPTIONS

1. The Recommended Decision errs in Finding that the Parties Failed to Engage in any Meaningful Investigation.

Multiple times throughout the Recommended Decision, the Parties are criticized for failing to engage in “any meaningful investigation”³ or “provide any explanation regarding the nature and extent of their investigation of these very serious allegations and any substantive results of an investigation.”⁴ Conversely, the record demonstrates that the investigators in I&E’s Pipeline Safety Division (“Pipeline Safety”) treated this matter with the utmost importance, devoting significant amounts of time and effort to investigate this matter to the fullest extent possible.

The Settlement contains a section of “Background” facts that were agreed to by both Parties. However, it appears the Recommended Decision and its Findings of Fact neglected to include two of those facts, specifically, paragraphs 23 and 24.⁵ Paragraph 23 of the Settlement stated that “Pipeline Safety engineers promptly responded to the scene and subsequently conducted an investigation.” Paragraph 24 went on to identify the following:

³ RD at 23.

⁴ RD at 21. See also RD at 20.

⁵ See RD at 6-12.

The results of I&E's investigation formed the basis for I&E's Complaint that was filed with the Commission on July 26, 2024 at Docket No. C-2024-3050319. I&E filed proprietary and non-proprietary versions of the Complaint. The Complaint included the following allegations:

- a. Peoples' employees who responded to the incident failed to take necessary actions to minimize the hazards of the released gas to life, property, and the environment, by failing to contact 911 emergency services, failing to shut off gas to the distribution pipeline, or failing to evacuate nearby residences;*
- b. Peoples failed to use every reasonable effort to warn and protect the public from danger or exercise reasonable care to reduce the hazards to which employees, customers, and others may be subjected to by reason of its equipment and facilities;*
- c. Peoples failed to train its Call Center employees on its Emergency Response Plan, in that Call Center employees did not participate in Annual Emergency Simulations and their responsibilities during an emergency are not clearly defined;*
- d. Peoples failed to train its Operations Center employees on its Emergency Response Plan, in that Operations Center employees only received peer to peer training and did not participate in classroom training, specific to the Operations Center employees, or Annual Emergency Simulations;*
- e. Peoples failed to gather all information related to the incident required under 49 CFR Part 191 and its own procedures and failed to submit the Department of Transportation Form RSPA F 7100.1 within thirty (30) days of the incident;*
- f. Peoples failed to review their employee's actions taken during the incident to determine whether Peoples' procedures were followed or effective during the response to the incident;*

- g. Peoples failed to conduct a post-incident review to ensure that its emergency response procedures were followed and were adequate;*
- h. Peoples failed to have a root cause analysis developed, so that Peoples could incorporate lessons learned into their procedures;*
- i. Peoples failed to have a written report prepared that investigated and analyzed the natural gas components involved in the incident, in order to determine the cause of the failure and how best to minimize the possibility of reoccurrence;*
- j. Peoples failed to conduct a post-accident drug and alcohol testing of Peoples Customer Serviceman after the incident;*
- k. Peoples failed to document, in its records, the decision not to conduct a drug and alcohol test of Peoples Customer Serviceman;*
- l. Peoples failed to properly record monthly inspections of its fire extinguishers after having been previously alerted to this issue by Pipeline Safety; and*
- m. Peoples failed to furnish and maintain adequate, efficient, safe and reasonable service and facilities and make such repairs, changes, alterations, substitutions, extensions and improvements in or to its service and facilities necessary or proper for the accommodation and safety of its patrons, employees and the public, thereby placing the safety of its customers, employees and the public in danger.*

It is abundantly clear from paragraphs 23 and 24 of the Settlement that I&E conducted a thorough investigation, and the results of that investigation formed the Formal Complaint.

Moreover, I&E's thirty-five page Formal Complaint provides a detailed accounting of the facts gathered from the investigation of Pipeline Safety. The Formal

Complaint also states that the I&E Pipeline Safety investigators were on scene following the explosion⁶ and outlines their observations.⁷ The Formal Complaint clearly identified all facts and violations that I&E reasonably believed could be proven if the matter proceeded through litigation – all of which originated from I&E Pipeline Safety’s thorough investigation and were verified by a Pipeline Safety investigator.

The results of I&E Pipeline Safety’s thorough investigation are also evidenced in the filing of a formal complaint against the excavator who struck Peoples’ natural gas distribution pipeline. In *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. Glenn Johnston Inc.*, Docket No. C-2024-3049707, I&E alleged five violations of the Pennsylvania One Call Law⁸ against Glenn Johnston, Inc. and sought the statutory maximum administrative penalty of fifty thousand dollars (\$50,000.00).⁹ Glenn Johnston, Inc. ultimately paid the statutory maximum administrative penalty in full.¹⁰

As part of any investigation, details and facts will be gathered that are not material or relevant to violations alleged in a Formal Complaint, and yet the Recommended Decision faults I&E for not providing every single fact known about the underlying incident. The Recommended Decision specifically faults the Parties for not providing every single detail that they may have in their possession, including “the time and location when and where the Supervisor and O&M crew members reported to work that

⁶ *Pa. Pub. Util. Comm’n, Bureau of Investigation and Enforcement v. Peoples Natural Gas Company LLC*, Docket No. C-2024-3050319 (Formal Complaint filed July 25, 2024) at ¶ 48.

⁷ Id at ¶ 54.

⁸ Act of October 30, 2017, P.L. 806, No. 50, 73 P.S. §§ 176 et seq.

⁹ See 73 P.S. § 182.10(b)(1)(ii).

¹⁰ The Formal Complaint at this docket was resolved via a Certificate of Satisfaction on June 25, 2024.

date, initiated and ended their breaks and lunch breaks.”¹¹ Facts such as this are not material or relevant to the violations alleged and even if they were relevant the Parties are not obligated to agree to each and every fact, as will be discussed in more detail below.

As part of its critique of the Parties for their supposed failure to engage in a meaningful investigation, the Recommended Decision faults Peoples for failing to file an Answer to I&E’s Formal Complaint.¹² Peoples is not required to file an Answer to a Formal Complaint to enter into a Settlement. Answers to formal complaints are permitted under 52 Pa. Code § 5.61 and the only recourse for a failure to file an answer to a complaint is that the Respondent could be found to be in default. Further, as part of the Settlement, Peoples indicated that it “carefully and thoroughly reviewed the allegations” and if it had filed an Answer to the Formal Complaint it would have denied the violations, and raised enumerated defenses and mitigation.¹³ It is a common practice for Parties to enter into Settlements before the Commission without the filing of Formal Complaints or Answers.¹⁴

Based upon the foregoing, I&E respectfully requests that the Commission decline to adopt the Recommended Decision’s references to the Parties’ supposed failure to conduct a meaningful investigation. Additionally, I&E respectfully requests that the Findings of Fact be amended to include paragraphs 23 and 24 of the Settlement.

¹¹ RD at 23.

¹² RD at 18, 23, and 30.

¹³ Joint Petition for Approval of Settlement at par. 31.

¹⁴ Commonly known as M-Dockets. *See also* 52 Pa. Code § 30113(b)(3).

2. The Recommended Decision errs in Finding Fault with the Parties for not Agreeing on Every Fact and Issue.

The Recommended Decision denies the Settlement based on the Parties failure to agree to a certain, but an unknown, threshold of facts and a lack of perfect alignment in their Statements in Support.¹⁵ Going even further, the Recommended Decision faults Peoples for failing “to acknowledge a single act or failure to act by Peoples that caused or contributed in any way to the unsafe conditions and devastating explosion alleged by I&E.”¹⁶

On January 17, 2025, the Parties filed the Settlement, which included a “Background” section of facts that the Parties had agreed to at the time the Settlement was filed. A September 3, 2025, Interim Order requested that the Parties file any appropriate and timely pleadings, proposed stipulation of facts to be entered into the evidentiary record, or to file a modified settlement with proposed stipulated facts or to otherwise address the issues raised in this proceeding, on or before September 30, 2025. On September 30, 2025, I&E and Peoples, through further negotiation and agreement, filed a Joint Stipulation of Facts in Support of Settlement (“Joint Stipulation”).

This Commission has made it abundantly clear that, in a settlement, Parties do not have to agree to every single fact, do not have to hold the same positions, and do not have admit to certain violations. In fact, this Commission gave those exact directions in its December 18, 2025 Opinion and Order answering the Parties’ Joint Petition for

¹⁵ RD at 18, 19, 21.

¹⁶ RD at 21-22.

Interlocutory Review in this matter.¹⁷ As such, I&E renews the same arguments made in its Brief in Support of Joint Petition for Interlocutory Review.

There is no requirement for parties to agree to a certain threshold of facts or even any facts at all. Pursuant to 52 Pa. Code § 5.232(a) “[a] settlement petition, which *may* contain stipulations of fact by all or some of the parties, shall be filed with the Secretary.” (emphasis added). Section 5.232 expressly identifies that a stipulation of facts is permitted to be filed in conjunction with a settlement petition, but a stipulation of facts is not required.

Furthermore, Commission precedent is exceptionally clear in holding that the Commission, in evaluating settlements, does not weigh evidence, does not opine on litigation positions, and recognizes that no party must admit to violations. *Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement v. Philadelphia Gas Works*, Docket No. C-2022-3033834, (Opinion and Order entered January 8, 2025) at 44, 45. Specifically, the Commission opined that:

Settlements are compromises that must serve the public interest to meet with our approval. In our examination of Settlements, we do not weigh the evidence thus far submitted by the parties or opine on the respective litigation positions and risk assessments that ultimately led the parties to the negotiating table prior to the conclusion of litigation. We recognize that no respondent party must admit to violations – nor must the moving party withdraw its complaint to reach a settlement – as that is what settling avoids. Simply put, our focus in cases such as this, where tragic events resulted in loss of life and substantial property damage, must be on whether the Settlement, as crafted, not only reduces the time and

¹⁷ *Pa. Pub. Util. Comm’n, Bureau of Investigation and Enforcement v. Peoples Natural Gas Company LLC*, Docket No. C-2024-3050319 (Opinion and Order entered December 18, 2025) at p. 15.

expense associated with litigation, but also calls for meaningful measures to advance the safe operation of utility infrastructure to the distinct benefit of the public safety.

The Recommended Decision ignores the Commission's established precedent and the Commission's recent Opinion and Order answering the Parties' Joint Petition for Interlocutory Review.

Based upon the foregoing, I&E respectfully requests that the Commission approve the Settlement without giving weight to the Parties' differing positions.

3. The Recommended Decision errs in Finding a Lack of Substantial Evidence to Determine that the Settlement is in the Public Interest.

The Recommended Decision's primary reason for denying the Settlement was that the "evidentiary record in this proceeding is insufficient to establish substantial evidence to properly consider or support the proposed Settlement or that the proposed Settlement is in the public interest."¹⁸ The Recommended Decision goes on to describe the settlement terms as "nothing more than a promise by Peoples to comply with the law."¹⁹ Both of these conclusions are improper and unjustified.

The Recommended Decision provides no citation or definition for what "substantial evidence" in a settlement is or how that standard is supposed to be met. However, the Recommended Decision appears to believe that "substantial evidence" is some undefined threshold to be found in the evidentiary record. As thoroughly discussed above, there is no requirement for a certain threshold of facts or the development of an evidentiary record in order to review and approve a settlement. To apply the

¹⁸ RD at 32.

¹⁹ RD at 19.

Recommended Decision’s standard would be counter to Commission precedent and its policy to encourage settlements.²⁰

In any review of a Settlement, the Commission “will consider specific factors and standards” to determine if a “proposed settlement for a violation is reasonable and approval of the settlement agreement is in the public interest.” 52 Pa. Code § 69.1201. The Commission’s Policy Statement at Section 69.1201(c) provides 10 factors, also known as the *Rosi* factors, that will be considered by the Commission in analyzing whether a settlement is in the public interest.²¹ “Substantial evidence” merely means that the analysis of the *Rosi* factors should be supported by “substantial evidence,” which is found in the settlement terms, and how they address the alleged violations, and the Parties’ Statements in Support. Moreover, the Commission has determined that the *Rosi* factors will not be applied in as strict a fashion in settled cases and that the parties in settled cases will be afforded flexibility to reach amicable resolutions so long as the settlement is in the public interest.²²

An evaluation of the Settlement terms demonstrate that they are in the public interest. The terms are as follows:

A. Civil Penalty:

Peoples will pay a civil penalty in the amount of Three Hundred Twenty-Five Thousand Dollars (\$325,000.00) pursuant to 66 Pa.C.S. § 3301(c). Said payment will be made within thirty (30) days of the entry date of the Commission’s Final Order approving the Settlement Agreement and will be made by certified check or money order payable to the “Commonwealth of Pennsylvania.” The docket number of this proceeding,

²⁰ 52 Pa. Code § 5.231.

²¹ The *Rosi* factors were developed in *Rosi v. Bell Atlantic-Pennsylvania, Inc.*, Docket No. C-00992409 (Opinion and Order entered February 10, 2000).

²² 52 Pa. Code § 69.1201(b).

C-2024-3050319, will be indicated with the certified check or money order and the payment will be sent to:

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Commonwealth Keystone Building
400 North Street
Harrisburg, PA 17120

The civil penalty will not be tax deductible pursuant to Section 162(f) of the Internal Revenue Code, 26 U.S.C.S. § 162(f). Peoples will not seek recovery of any portion of any agreed upon total civil penalty amount in any future ratemaking proceeding.

B. Donation for the Purchase of Methane Detectors:

In addition to the civil penalty described above, Peoples will make a donation in the amount of Fifty Thousand Dollars (\$50,000.00) to Tyrone, PA, area fire departments for the purchase and distribution of methane detectors to local businesses and residents. Said donation will be made within thirty (30) days of the entry date of the Commission's Final Order approving the Settlement Agreement. Peoples will not seek recovery of any portion of any agreed upon total donation amount in any future ratemaking proceeding.

C. Recovery of Costs to Implement:

Peoples and I&E agree that any Settlement Agreement will not prohibit Peoples from seeking recovery of the costs it has incurred or may incur to implement the remedial actions identified in this Settlement.

D. Call Center Procedures and Responses:

Peoples will add language to its Call Center training materials and procedures that requires Call Center employees to ask the caller if they potentially damaged a Peoples facility when the caller indicates that they are a contractor. If the contractor's answer is yes or unknown, the Peoples' Call Center employee shall instruct the caller to contact 911. Further, Peoples will add language to its Operations Center training materials and procedures that after dispatching the emergency Order for a potential pipeline damage, Peoples' Operations Center employees are required to call 911 to confirm that they were notified of potential pipeline damage and advise 911 that the Company is responding to a broken line.

E. Responding to Outdoor Leak Emergencies:

When responding to an outdoor leak emergency, if an on-site Peoples representative discovers suspected damage to its facilities during the course of the on-site investigation, the Peoples representative will notify its Operations Center to contact 911, as soon as safely and reasonably possible.

F. Complete Documentation:

Peoples will complete documentation (electronic or otherwise) of the initial site visit based on the best information available at that time and within a reasonable time after Peoples has deemed the situation safe.

G. Drug and Alcohol Testing:

Pursuant to the requirements in 49 CFR Part 199, if Peoples has an employee onsite at the time of a PHMSA reportable incident, Peoples will (a) test each surviving covered employee whose performance of a covered function either contributed to the accident or cannot be completely discounted as a contributing factor to the incident; or (b) to document its decision not to test a covered employee.

H. Review of Leak Investigation Procedures:

Peoples will review its standard operating procedures, job procedures, and trainings related to leak investigations to ensure consistency across all Peoples documentation. Thereafter, the Company agrees to reconcile any inconsistencies across its procedures and trainings within twelve (12) months following the date of a Final Commission Order in this proceeding.

I. Retaining a Third-Party for Development of Trainings:

Peoples will retain a third-party consultant to compile all procedures and trainings related to emergency responses and develop trainings that are consistent with each other and the emergency response procedures in place. Peoples will engage the third-party consultant within three (3) months of a Final Commission Order in this proceeding.

J. Update Procedures Related to Evacuating and Contacting 911:

Peoples will update its procedures and trainings to provide detailed directions and indicate under what circumstances evacuating and contacting

911 emergency services is a necessary safety measure. The Company will initiate training related to these updated procedures within six (6) months of the updates.

K. Training on Updated Emergency Response Procedures:

Peoples will provide training for any updated processes or procedures related to emergency response within six (6) months of the effective date of any changes to said processes and procedures.

L. Submission of Incident Reports Pursuant to 49 CFR § 191.9:

Peoples will gather all required data for submission of a complete incident report electronically, as required under 49 CFR § 191.9. Peoples will use “best available” information at the time of submission to complete the electronic incident reports. As more information becomes available, Peoples agrees to file supplemental updates to the incident reports.

M. Collaboration with Electric Distribution Companies:

Peoples agrees to document when a request is made to the involved electric distribution company (“EDC”) to shut off power to impacted premises. Peoples agrees to document when it determines and communicates to the EDC that it is safe to restore power to those premises. Peoples will actively engage with EDCs, in its service areas, to promote collaboration in responding to natural gas incidents.

N. Emergency Simulations:

Peoples will conduct emergency simulations for its Operation Center employees and for its Customer Contact Center employees on an ongoing basis, consistent with its procedures. The first emergency simulation, involving Operations Center employees and Customer Contact Center employees, will occur within six (6) months of a Final Commission Order in this proceeding.

O. Evaluation of Emergency Simulations and Trainings:

Peoples will enhance its annual Emergency Simulation training to evaluate the effectiveness of the simulations. The evaluation will be a combination of a quality assurance (“QA”) analysis of the presentation and engagement of the exercise by the Compliance department, and a proficiency review of the field employees participating in the training. The QA analysis will evaluate the level of interactive participation by the

employees and grade their ability to identify the appropriate procedures and actions necessary to respond to the emergency. Following the exercise, the employees will be tested to evaluate proficiency of their specific functional areas (i.e., FCS, O&M, GM&R, Leak Survey, etc.) related to the simulation.

Peoples will invite Pipeline Safety to observe trainings and simulations. After observing a training or simulation, Pipeline Safety personnel will be afforded the opportunity to provide comment, suggestions, or feedback for improvement to trainings and simulations to Peoples. With the intention of improving its emergency response training, Peoples will give due consideration to any comments, suggestions, or feedback received from Pipeline Safety.

P. Monitored Excavation Inspections:

Peoples will perform periodic Monitored Excavation Inspections of the trenchless excavations it has direct notice or observation of, based on a risk-based approach in connection with a PA One Call ticket(s). During a Monitored Excavation Inspection of a PA One Call ticket that involves trenchless technology, Peoples agrees to verify that the contractor has employed prudent techniques to verify the location of the gas facilities potentially impacted. If the contractor fails to follow the requirement to employ prudent techniques, Peoples will take the following actions:

- Communicate with the contractor the One Call requirements to verify the position of the gas facilities during trenchless excavations;
- Submit an AVR to the Damage Prevention Council of notice of failure by the contractor to verify the position of the gas facilities during trenchless excavation;
- Document the conversation with the contractor and the submission of an AVR; and
- Generate a follow-up work order to revisit the project to verify the contractor adheres to the PA One-Call Law requirements for additional trenchless activity.

When attending a Complex Project pre-construction meeting, Peoples will question the project owner as to whether excavation includes trenchless technology to identify and flag the ticket as "trenchless."

Q. Implementation of Incident Command System (“ICS”) Training:

Peoples will implement Incident Command System (“ICS”) Training for certain necessary job functions related to emergency response within six (6) months of a Final Commission Order in this proceeding.

Without engaging in any form of analysis of the settlement terms, the Recommended Decision simply concludes that the terms amount to nothing more than a promise to comply with the law. This is a gross mischaracterization and is unsupported by even a cursory review of the terms.

All of the settlement terms are either clarifying I&E’s position on certain disputed interpretations of legal requirements, and Peoples agreement to I&E’s positions, or Peoples agreeing to take actions *beyond* what is required by the minimum safety standards established by the Public Utility Code, Commission Regulations, and federal regulations. To briefly summarize, the following terms are a clarification and agreement on a disputed legal interpretation:

1. Term G – Drug and Alcohol Testing: clarifying that a covered employee who is on scene at the time of a PHMSA reportable accident, must be drug and alcohol tested or Peoples must document the decision not to test.
2. Term L – Submission of Incident Reports Pursuant to 49 CFR § 191.9 – clarifying that Peoples is to use “best available” information and to supplement reports as needed.

In I&E’s opinion, all other terms require action by Peoples that goes *beyond* the bare minimum safety standards, which likely could not be directed by the Commission at the conclusion of a fully litigated proceeding. Some of the more significant remedial actions include, but are not limited to: (1) reviewing procedures and trainings to ensure consistency; (2) improving its training and procedures related to emergency responses,

evacuations, contacting 911, and excavation damage; (3) improved information gathering and review post-incident; (4) collaboration with electric distribution companies; (5) evaluation of its emergency trainings and simulations; (6) increased monitoring and inspections of trenchless excavations;²³ and (7) implementation of Incident Command System training. These terms provide substantial public benefits by improving safety and emergency response procedures, improving emergency response training, increasing inspections of trenchless excavations, and the purchase and distribution of methane detectors to businesses and residences in the Tyrone, PA, area.²⁴ Each of the remedial actions and commitments described in the Settlement, address the alleged conduct at issue, are designed to prevent a similar incident from occurring again, and may not have been obtainable, but for the Settlement.

The terms of the Settlement and the Parties' Statements in Support, provide "substantial evidence" that the settlement is in the public interest as it provides for a number of valuable safety enhancements that directly address safety concerns raised in I&E's Formal Complaint. As such, I&E respectfully requests that the Commission find that the terms of the Settlement are in the public interest and approve the Settlement.

4. The Recommended Decision errs in Failing to Reasonably Analyze the Settlement under the *Rosi* Factors.

The Recommended Decision denies the Settlement based on a lack of "substantial evidence," without examining each Settlement term with the *Rosi* factors.²⁵ Rather, the

²³ I&E's Pipeline Safety Division views trenchless excavations as a type of excavation that presents one of the highest risks to pipeline safety.

²⁴ I&E's Pipeline Safety Division believes that methane detectors, under a cost-benefit analysis, are one of the most valuable safety measures that can help protect customers in the event of a natural gas leak.

²⁵ RD at 24-32.

Recommended Decision repeats overly broad and conclusory statements that there is somehow a lack of sufficient evidence to support the agreed upon civil penalty when compared to the alleged facts and circumstances in the incident and that the sixteen paragraphs of remedial measures committed to be undertaken by Peoples are trivial. The Recommended Decision did not conduct its own in-depth analysis, as it relates to the *Rosi* factors beyond rephrasing the Parties' analysis and positions and then making sweeping conclusions. Simply stated, the Recommended Decision fails to realize the significant gains achieved by virtue of the Settlement that will undoubtedly benefit the public.

In any review of a Settlement, the Commission "will consider specific factors and standards" to determine if a "proposed settlement for a violation is reasonable and approval of the settlement agreement is in the public interest." 52 Pa. Code § 69.1201. Section 69.1201(c) provides 10 factors, also known as the *Rossi* factors, that will be considered by the Commission in analyzing whether a settlement is in the public interest.

I&E incorporates its analysis of the *Rossi* factors, from its Statement in Support, here and continues to stand by that analysis.²⁶ I&E believes two parts of its analysis bear repeating and further discussion. First, it bears repeating that I&E's Formal Complaint did not allege that Peoples was the direct or proximate cause of the excavation damage or gas leak, but alleged that Peoples was deficient in its response to the damage and leak. I&E believes that any conduct involving an emergency response to a gas leak should be

²⁶ Settlement, Appendix B at 11-18.

taken seriously due to the inherent danger involved when pipelines leak, rupture, or otherwise fail.

Second, the Recommended Decision unfairly summarizes I&E's tenth *Rosi* factor²⁷ as "whether the case was settled or litigated, is of pivotal importance here as a settlement avoids the necessity for the governmental agency to prove elements of each allegation" and unnecessarily critiques I&E as having "misse[d] the very serious nature of what occurred."²⁸ When, in fact, I&E's statement was much more detailed and reasoned than what the Recommended Decision gives credit for. I&E's argument was as follows:

A settlement avoids the necessity for the governmental agency to prove elements of each allegation. In return, the opposing party in a settlement agrees to a lesser fine or penalty, or other remedial action. Both Parties negotiate from their initial litigation positions. The fines and penalties, and other remedial actions resulting from a fully litigated proceeding are difficult to predict and can differ from those that result from a settlement. Some remedial actions agreed to in a settlement may not always be obtainable if a matter is fully litigated. Reasonable settlement terms can represent economic and programmatic compromise while allowing the Parties to move forward and to focus on implementing the agreed upon remedial actions and enhancing public safety.²⁹

This statement makes it clear that I&E sees benefits in settlements because the Parties are able to come together and find remedial measures that provide substantial benefit to the public, most of which may not be obtainable through a fully litigated case. Despite the

²⁷ "other relevant factors."

²⁸ RD at 32.

²⁹ Settlement, Appendix B at 18.

roadblocks and delays, I&E wishes to see the remedial measures, that were obtained via settlement, implemented and public safety enhanced.

For the aforementioned reasons, I&E respectfully requests that the Commission approve the settlement as a reasonable analysis of the *Rosi* factors, as set forth at 52 Pa. Code § 69.1201, supports finding the that the terms are in the public interest.

III. CONCLUSION

For the reasons set forth above, I&E respectfully requests that the Commission reject the Recommended Decision's decision to deny the Joint Petition for Approval of Settlement and approve the Joint Petition for Approval of Settlement without modification.

Respectfully submitted,



Colby B. Widdowson
Prosecutor
PA Attorney ID No. 326185

Stephanie M. Wimer
Deputy Chief Prosecutor
PA Attorney ID No. 207522

Pennsylvania Public Utility Commission
Bureau of Investigation and Enforcement
Commonwealth Keystone Building
400 North Street
Harrisburg, Pennsylvania 17120

Dated: February 5, 2026

**BEFORE THE
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Pennsylvania Public Utility Commission, Bureau of Investigation and Enforcement	:	
	:	
v.	:	Docket No. C-2024-3050319
	:	
Peoples Natural Gas Company LLC	:	

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing **Exceptions of the Bureau of Investigation and Enforcement** dated February 5, 2026, upon the parties listed below, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a party).

Served via Electronic Mail:

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